



2007 SENATE BILL 524

February 22, 2008 – Introduced by Senators DECKER, KREITLOW and GROTHMAN, cosponsored by Representatives PETROWSKI, SEIDEL, WOOD and LEMAHIEU. Referred to Committee on Commerce, Utilities and Rail.

1 **AN ACT** *to renumber and amend* 79.04 (4m); *to amend* 20.835 (1) (d); and *to*
2 **create** 79.04 (4m) (b) of the statutes; **relating to:** utility aid payments based
3 on a production plant's value in 1990.

Analysis by the Legislative Reference Bureau

Under current law, generally, each county and municipality in which a power production plant is located receives a utility aid payment from the state. If the plant began operation before January 1, 2004, the payment is based on the plant's net book value. Under current law, ending with payments in 2008, the power production plant value used to determine the utility aid payment to a county or municipality may not be less than power production plant value used to determine the payment in 1990. If, however, the plant began operation after December 31, 2003, the utility aid payment is based on the plant's power capacity. Under current law, beginning with the payments in 2009, if in any year the amount of the utility aid payment to a county or municipality would be greater based on the plant's power capacity instead of the plant's value, the county or municipality will receive, in that year and in each year thereafter, a payment based on the plant's capacity.

Under the bill, for municipalities where production plants are located, if the combination of amounts determined for production plants based on value or power capacity and the amounts determined for substations and general structures based on value are less for a municipality than the payment amount based on the value of the property used to calculate the municipality's payment in 1990, less the value of property no longer in use, the municipality will receive a payment based on the value

SENATE BILL 524

of the property used to calculate the municipality's payment in 1990, less the value of property no longer in use.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.835 (1) (d) of the statutes is amended to read:

2 20.835 (1) (d) *Shared revenue account.* A sum sufficient to meet the
3 requirements of the shared revenue account established under s. 79.01 (2) to provide
4 for the distributions from the shared revenue account to counties, towns, villages and
5 cities under ss. 79.03, 79.04 (1) to (4) (4m), and 79.06.

6 **SECTION 2.** 79.04 (4m) of the statutes, as created by 2007 Wisconsin Act 20, is
7 renumbered 79.04 (4m) (a) and amended to read:

8 79.04 (**4m**) (a) ~~Beginning~~ Except as provided in par. (b), beginning with
9 distributions in 2009, for production plants described under subs. (1) and (2), if in any
10 year the payments to the municipality and county in which the production plant is
11 located would be greater under subs. (6) and (7) (c) 1. based on the production plant's
12 name-plate capacity than under sub. (1) or (2) based on either the depreciated net
13 book value of the production plant, the municipality and county shall receive
14 payments under subs. (6) and (7) (c) 1., rather than under sub. (1) or (2), beginning
15 in that year and in each year thereafter.

16 **SECTION 3.** 79.04 (4m) (b) of the statutes is created to read:

17 79.04 (**4m**) (b) For municipalities where production plants are located, if the
18 combination of amounts determined for production plants under sub. (1) or under
19 subs. (6) and (7) (c) 1. and the amounts determined for substations and general
20 structures under sub. (1) are less for a municipality than the amount determined

SENATE BILL 524

1 under sub. (1) based on the value of the property used to calculate the municipality's
2 payment in 1990, reduced to reflect the value of property that is no longer in use, the
3 municipality's payment shall be calculated under sub. (1) using the value of the
4 property used to calculate the municipality's payment in 1990, reduced to reflect the
5 value of property no longer in use.

6

(END)